# Changes in Child Care Arrangements in Minnesota

Caroline Krafft, Elizabeth E. Davis, Kathryn Tout, Nicole Forry

### Introduction to the Minnesota Child Care **Choices Research Brief Series**

The purpose of this Research Brief Series is to summarize key findings and implications from the Minnesota Child Care Choices study, a three-year longitudinal survey of a sample of parents with low incomes who have at least one child age six or younger, have applied to receive financial assistance through Minnesota's welfare or child care subsidy programs, and lived in one of seven participating counties at the time of the survey. Telephone surveys are conducted by Wilder Research every 5-6 months, starting in August 2009, and include questions about families' characteristics, parents' child care preferences, the processes

(continued next page)



### UNIVERSITY OF MINNESOTA



WILDER FOUNDATION Here for good.

### **OVERVIEW**

Most American children spend significant time in non-parental care arrangements and typically experience multiple child care arrangements prior to kindergarten. Research has established that frequent changes in child care arrangements, often referred to as "child care instability" may be associated with worse outcomes for children. However, whether changes in child care arrangements adversely impact children depends upon the nature of changes.<sup>1</sup> Deliberate and predictable changes, such as moving a child into a more formal group setting (e.g., a child care center or prekindergarten program) at age four may support child development and children's readiness for kindergarten. However, unexpected or involuntary changes, such as sudden changes in child care associated with unanticipated changes in parental employment, may be disruptive for children. Frequent changes in child care settings may impede children's opportunities to build relationships with their providers and peers, and may hamper child development.

Few child care studies have examined patterns of child care changes among young children using longitudinal data following families over time. This brief describes the changes in child care arrangements reported in a survey of parents with low incomes in Minnesota. The data were obtained from the Minnesota Child Care Choices Survey (see "Introduction" text box at left), in which more than three hundred families were followed for several years. Families with children under the age of six were recruited to the study when they applied for either cash assistance or a child care subsidy. Appendix Table A1 describes the characteristics of children and their families at the start of the survey. This brief incorporates data from four waves of the longitudinal survey, tracking families for approximately 1.5 years.

At each survey wave, parents were asked about the care arrangements for a focal child and asked which child care arrangement was used most often. A change in the focal child's primary provider occurred if the parent reported a different provider used most often between two survey waves (approximately six months apart). The former primary provider may no longer be caring for this child, or might remain as a secondary provider.<sup>2</sup> If additional changes in primary provider occurred between survey waves, these were not reported by parents, thus the frequency of changes reported may underestimate the total number of provider changes.

<sup>&</sup>lt;sup>1</sup> This discussion of child care instability and types of changes draws from the paper by Gina Adams and Monica Rohacek,

<sup>&</sup>quot;Child care instability: Definitions, context, and policy implications," Washington, D.C.: Urban Institute, 2010.

<sup>&</sup>lt;sup>2</sup> Note that the survey did not capture changes in teachers or caregivers within a particular child care arrangement or setting.

#### (continued from page 1)

parents use to make child care decisions, parents' familiarity with and use of Parent Aware, Minnesota's pilot Quality Rating and Improvement System (QRIS), parents' perceptions of the quality of their child care, child carerelated work disruptions, parental employment, and use of public assistance programs.

For each family, one child is designated as the focal child and detailed information is collected about the child care arrangements used for this child. In addition to the survey data, this study uses administrative data from the Minnesota child care subsidy program to track participants' use of subsidies and the type of subsidized care arrangements they use over time.

The Minnesota Child Care Choices Research Briefs are designed to answer questions of interest to state child care administrators, county agency staff and other early childhood stakeholders. The questions they have include: How do parents make decisions about child care arrangements? What factors affect whether a family uses child care subsidies? How will Minnesota's QRIS affect families with low incomes, particularly those eligible to receive a child care subsidy? What family, community, and child care characteristics affect child care stability and reliability, and parents' employment outcomes?

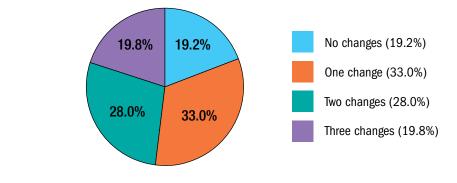
This brief is based on data from the Minnesota Child Care Choices study. Readers who want additional details about the study design and the sample of parents who participated in the survey are referred to the Study and Sample Description Brief. The entire series of briefs is available online at: www.mdmnresearchpartnership. com and www.childtrends.org. Changes are examined in two ways in this brief, first by focusing on children as the unit of analysis and second, by examining the provider changes that a child may experience between different survey waves. The survey was conducted over 18 months with waves occurring about every six months. We look at how often a child had a change in primary provider over the 18 months (thus, a total of three possible changes could have been recorded, one at each six-month interval). We also examine the frequency and nature of the different possible changes a child could experience between the survey waves. If a child is observed over multiple survey waves, each pair of consecutive surveys is included as an observation. There were 323 children in the baseline Wave 1 survey, 182 who completed all four survey waves, and a total 646 observations with one or more pairs of consecutive survey waves. Although this method counts some children more than once, it provides us information on how children's care arrangements change over time as they grow older.

## **KEY FINDINGS**

What proportion of children experienced changes in child care arrangements in six months? Over half of children in this sample of families with low incomes in Minnesota experienced a change in primary provider between survey waves, approximately a six month period. Comparing providers at consecutive survey waves, 52.2% of children changed primary provider while 47.8% did not change.

While over half of children changed primary provider over six months, some children experienced no changes over the entire eighteen months, and some children experienced several changes. Figure 1 presents the number of changes in primary provider for children observed in all four survey waves. Only 19.2% of children never experienced a change in primary provider over the 18 months they were observed. One third (33.0%) of children changed primary provider once, 28.0% twice, and 19.8% three times—a change of provider approximately every six months over the 1.5 year period.



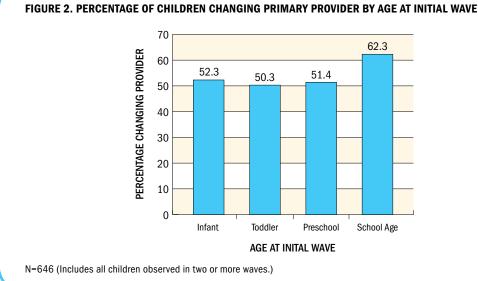


N=182. (Includes only children observed in all four survey waves.)

#### Are provider changes related to the child's age?

Some child care transitions may be related to changing developmental needs as children age and eventually enter school. Figure 2 presents the percentage of children in each age group who changed primary provider between two consecutive survey waves. Note that children may be included more than once in this chart, if they were included in more than two survey waves. About

half of children who were infants, toddlers, and preschoolers experienced a change in provider. However, nearly two-thirds (62.3%) of children who were school age (either 60 months or older, or in school) experienced a change in provider. This higher rate of change may reflect transitions between school year arrangements and summer care, or into before or after school care.



### Changes in the type of primary arrangement

In addition to experiencing changes in the person or facility providing care, children also experience changes in the type of arrangement they use. We investigated these transitions by examining three different types of non-parental care: centers, family child care (FCC), and family/friend/neighbor care (FFN). If the parent reported no regular child care arrangement for the focal child, the child was assumed to be in parental care.

We defined 'centers' as child care centers as well as before and after school programs, summer programs based in a school or community center, nursery schools, preschools, pre-kindergartens, or Head Start programs. The other two types of care, family child care (FCC) and family/friend/neighbor care (FFN) were distinguished based on parent responses to questions about their setting and professionalization. All care in the child's home was classified as FFN. If the family child care provider was identified by the parents as a professional babysitter, the arrangement was classified as FCC. FCCs were also identified as care settings where caregiving was the provider's primary job and where the provider cared for children not related to the respondent or the provider.<sup>3</sup> Otherwise, the provider was considered family, friend or neighbor (FFN) care.

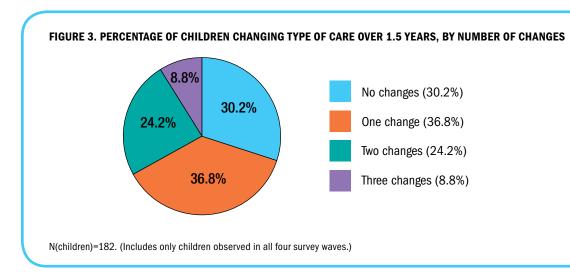
#### What proportion of children experienced changes in the type of child care arrangement between survey waves?

Overall, children remained in the same type of care between survey waves nearly two thirds of the time. In other words, in 37.8% of the surveys, children had changed type of care in the six months that passed between consecutive survey waves. Note that the percentage who changed primary providers between survey waves was higher, 52%, than the percentage who change type of care (38%).

Figure 3 presents the number of changes in type of care for children who were observed in all four waves. At most, three changes were possible between the four survey waves. Less than one third of children (30.2%) had no changes and remained in the same type of care in all four waves. Since there were approximately six months

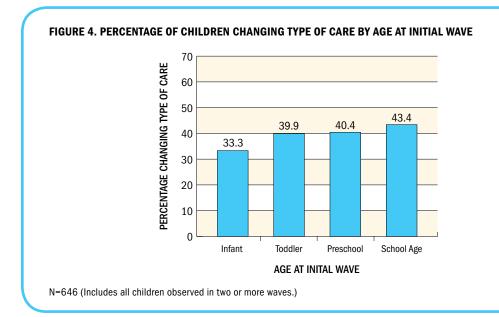
<sup>&</sup>lt;sup>3</sup> We did not use licensing as one of the criteria for distinguishing between different types of care because in Minnesota anyone who cares for more than one other family's children is required to be licensed. Additionally, many parents do not know or mis-report license status of their providers.

between waves, this means that they remained in the same type of care for approximately 18 months. More than a third (36.8%) of children had one change in type of care. A quarter (24.2%) had two changes, and 8.8% had three changes, that is, the child changed type of care between every wave. Those with two changes would have spent less than a year in the same type of care arrangement, and those with three changes would have averaged six months in each type of arrangement.



#### Are changes in the type of care related to the child's age?

Though the frequency of changes in primary provider varied only slightly with child age, changes in type of care were less likely for infants than for older children (Figure 4). While 33.3% of infants changed type of care across waves, 39.9% of toddlers, 40.4% of preschoolers, and 43.4% of school-age children did so.



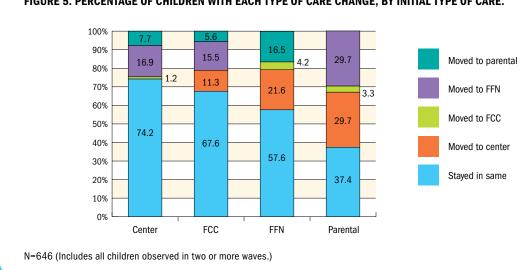
#### Does the percentage that change arrangements vary by the initial type of care?

Figure 5 shows how often children move to a different type of care based on the initial type of care (in each pair of consecutive survey waves). Each of the four columns in the figure represents one of the types of care (centers,

FCC, FFN and parental care). Looking first at children in center care in the initial wave (the first column), nearly three quarters (74.2%) of those children were also in center care in the subsequent wave. Most of those who left center care moved to FFN care, 16.9% of those originally in center care. Few moved to FCC care, but 7.7% left for parental care.

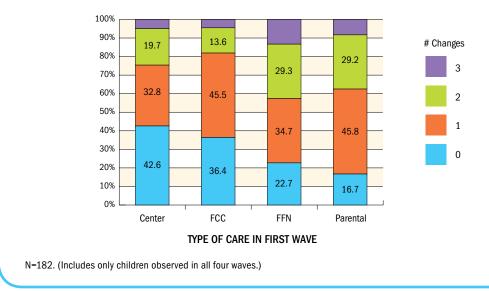
Among those who started in FCC care, 67.6% remained in FCC care in the following wave. Moving to FFN was the most popular change for those initially in FCC care (15.5%). Another 11.3% of those initially in FCC switched to centers. Among those initially in FFN care, 57.6% remained in FFN care in the next wave. A fifth (21.6%) transitioned to center care, and 16.5% switched to parental care only.

Children in parental care were the most likely to move to a different type of care, as only 37.4% of those initially in parental care remained in parental care in the following wave. Across the three types of non-parental care, children in FFN were the most likely to transition to parental care, suggesting a close substitutability of these two types of care.



#### FIGURE 5. PERCENTAGE OF CHILDREN WITH EACH TYPE OF CARE CHANGE, BY INITIAL TYPE OF CARE.

Figure 6 presents the number of changes in type of care, looking at the type of care when first observed (in the baseline survey). This figure shows that the children in center care had the fewest changes in type of care. Among children who were in center care in the first wave, 42.6% had no changes in type of care. Nearly as many (36.4%) in FCC care in the first survey also had no changes in the type of care. As noted above, children in parental care were the least likely to stay in the initial type of care. Among children who were in parental care in the first wave, only 16.7% had no changes in type of care. Almost half (45.8%) had one change, nearly a third (29.2%) had two changes, and 8.3% had three changes. Comparing across types, children in center care when first observed were the most likely to experience no changes.



#### FIGURE 6. PERCENTAGE OF CHILDREN EXPERIENCING ONE OR MORE CHANGES IN TYPE OF CARE, BY TYPE OF CARE IN FIRST WAVE

### Care transitions by age and type of care

To examine the relationship between children's developmental stages and changes in type of care, we look at the transitions between care types by the child's age at the initial wave of two consecutive surveys. Each panel in Figure 7 is similar to Figure 5, but now there is one panel for each age group. Each of the four columns in a panel represents one of the types of care (centers, FCC, FFN and parental care). The percentages are shown in Appendix Table A2 for reference.

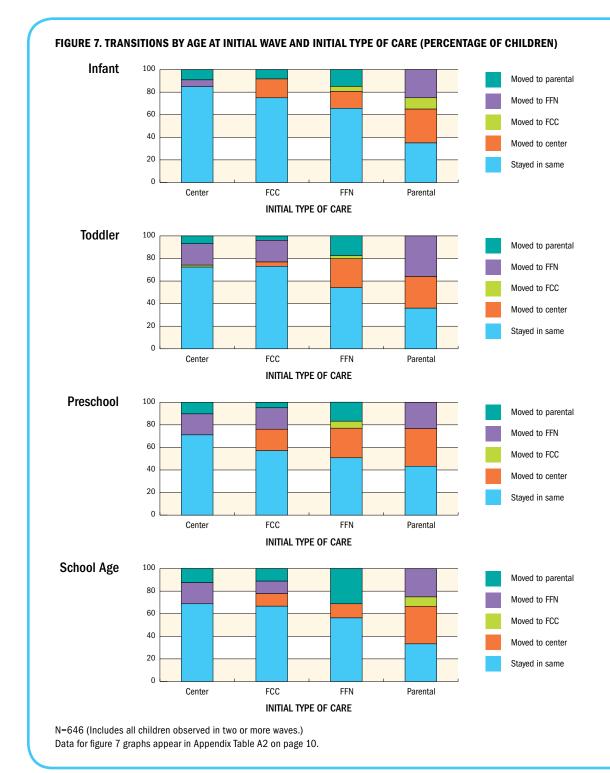
Comparing across the four panels, it is clear that younger children, particularly infants, were more likely to remain in the same type of care between survey waves. Two-thirds of infants remained in the same type across waves, compared to 60.1% of toddlers, 59.6% of preschoolers, and 56.6% of school-age children. Infants in center care were very unlikely to change type of care, as 84.8% remained in a center in the subsequent wave. Three quarters of infants in FCC remained in FCC care the next wave. Most transitions in type of care for infants occurred for those in parental care, and similar percentages moved into centers and FFN care.

Toddlers had similarly stable patterns in centers and FCC, with over 70% of the toddlers remaining in these types of care. FFN care was less stable for toddlers than infants, however, with 54.1% remaining in FFN care and one quarter switching to centers. For toddlers initially in parental care, 36.0% remained in parental care, while 36.0% switched to FFN care and 28.0% to center care. Although more toddlers than infants switched care types, they were also more likely to transition from FFN care to centers, which may reflect a developmentally appropriate and intentional change.

For preschoolers who began in FFN care, half (50.8%) remained in FFN care. Transitions to centers were most common (26.2%). Preschoolers who began in parental care were the age group most likely to stay in parental care (43.3%). A third of those in parental care transitioned to center care, while 23.3% transitioned to FFN. Preschoolers generally showed transitions that were similar to those of toddlers, and may also have been transitioning to more formal settings in preparation for school.

The pattern of transitions was different for school-age children compared to the younger groups, which likely reflects the need for care that fills in around the school day or school year. For school-age children who began in center care, 68.8% remained in center care in the following wave, and the most common transition was to FFN care (18.8%). For school-age children who began in FCC care, two thirds (66.7%) remained there in the following wave.

Children were equally likely to switch to center care, FFN care, or parental care (11.1%). For school-age children who began in FFN care, 56.3% remained in FFN care in the following wave. Transitions to parental care only were the most common, occurring for 31.3% of school-age children originally in FFN care. For school-age children who began in parental care, only a third remained in parental care only. A third (33.3%) switched to center care, a quarter (25.0%) to FFN care. School-age children may experience higher rates of transition as they switch from full-time or year-round care arrangements to part-time, after school, or summer care programs.



### SUMMARY: KEY FINDINGS, IMPLICATIONS AND NEXT STEPS

In this sample of Minnesota families with low incomes, we observed multiple changes in the type of child care used for young children and in the primary provider over 1.5 years. Over half of children (52.2%) experienced a change in primary provider over a six-month period. Over a third of children (37.8%) experienced a change in the type of care in six months. Among children with data from four survey waves, 30% remained in the same type of care during the 18 months, 37% experienced one change, and the remainder changed type of care two or more times. A common pattern observed was for children to transition from parental care or FFN care to centers, and for children, once in center care, to be more likely to remain there. Some of the transitions observed were related to age, and may be developmentally appropriate changes into a more formal group setting (such as a child care center or pre-kinder-garten program), or an after-school program as children enter school.

The findings provide important information about the prevalence of child care transitions and a better understanding of the types of changes that children experience. In related work, we are studying the child, family and provider characteristics associated with the probability of changing providers or switching to a different type of care arrangement. Parents have many reasons for making changes in child care arrangements and in principle, any particular change may not impact a child's development either for better or worse. However, previous research has shown developmental outcomes may be negatively affected by child care instability.<sup>4</sup> Understanding the context of changes in arrangements will increase our understanding of why changes occur and why they might be detrimental to children.

<sup>&</sup>lt;sup>4</sup> For a brief overview on the literature relating child care instability and child outcomes, see Gina Adams and Monica Rohacek, "Child care instability: Definitions, context, and policy implications," Washington, D.C.: Urban Institute, 2010.

### Appendix Table A1:

CHILD, RESPONDENT, AND HOUSEHOLD CHARACTERISTICS AT BASELINE

	Percentage of Children
CHILD GENDER	
Female	50.8
Male	49.2
CHILD RACE	
White	29.1
Hispanic	13.0
Non-White, non-Hispanic	57.9
CHILD AGE	
Infant (0-15 months)	30.7
Toddler (16-32 months)	27.9
Preschool (33-60 months, not in school)	36.2
School-Age (60 months or older, or in school)	5.3
RESPONDENT EDUCATION	
Less than High School	25.7
High School	34.1
More than High School/Some College	40.2
RESPONDENT EMPLOYMENT	
Not Employed	57.9
Less than 30 hours	18.0
30 hours or more	24.1
HOUSEHOLD POVERTY	
Below 100% of poverty	70.0
100-174%	21.7
Over 175% of poverty	8.4
HOUSEHOLD ADULTS	
One adult	42.4
Two adults	44.6
Three or more adults	13.0
HOUSEHOLD CHILDREN	
1	47.7
2	29.1
3	13.6
4 or more	9.6
TOTAL	100.0

N (Children)=323

### **Appendix Table A2:**

TRANSITIONS BY AGE AT INITIAL WAVE AND INITIAL TYPE OF CARE (PERCENTAGE OF CHILDREN)

		Initial Type of Care				
INFANT						
SUBSEQUENT WAVE	CENTER	FCC	FFN	PARENTAL		
Stayed in same	84.8	75.0	65.7	35.0		
Moved to center	n.a.	16.7	14.9	30.0		
Moved to FCC	0.0	n.a.	4.5	10.0		
Moved to FFN	6.1	0.0	n.a.	25.0		
Moved to parental	9.1	8.3	14.9	n.a.		
TOTAL	100.0	100.0	100.0	100.0		
TODDLER						
SUBSEQUENT WAVE	CENTER	FCC	FFN	PARENTAL		
Stayed in same	72.4	73.1	54.1	36.0		
Moved to center	n.a.	3.8	25.7	28.0		
Moved to FCC	1.7	n.a.	2.7	0.0		
Moved to FFN	19.0	19.2	n.a.	36.0		
Moved to parental	6.9	3.8	17.6	n.a.		
TOTAL	100.0	100.0	100.0	100.0		
PRESCHOOL-AGE						
SUBSEQUENT WAVE	CENTER	FCC	FFN	PARENTAL		
Stayed in same	71.1	57.1	50.8	43.3		
Moved to center	n.a.	19.0	26.2	33.3		
Moved to FCC	0.0	n.a.	6.2	0.0		
Moved to FFN	18.6	19.0	n.a.	23.3		
Moved to parental	10.3	4.8	16.9	n.a.		
TOTAL	100.0	100.0	100.0	100.0		
SCHOOL-AGE						
SUBSEQUENT WAVE	CENTER	FCC	FFN	PARENTAL		
Stayed in same	68.8	66.7	56.3	33.3		
Moved to center	n.a.	11.1	12.5	33.3		
Moved to FCC	0.0	n.a.	0.0	8.3		
Moved to FFN	18.8	11.1	n.a.	25.0		
Moved to parental	12.5	11.1	31.3	n.a.		
TOTAL	100.0	100.0	100.0	100.0		

Funding for the Minnesota Child Care Choices study is provided through grants #90YE098 and #G90YE0132 from the Office of Planning, Research and Evaluation in the Administration for Children and Families, U.S. Department of Health and Human Services. Matching funds for the study were provided by the Minnesota Early Learning Foundation. The contents of this brief are solely the responsibility of the authors and do not necessarily represent the official views of the Office of Planning, Research, and Evaluation, the Administration for Children and Families, or the U.S. Department of Health and Human Services.